

## CARDIFF METROPOLITAN UNIVERSITY

### MEETING OF THE BOARD OF GOVERNORS: MONDAY, 9 OCTOBER 2012

#### MINUTES

**Present:** Miss B.Wilding (Chair), Professor.A.J.Chapman (Vice-Chancellor & Principal), Mr.P.Davies, Dr.P.Easy, Ms.R.Foster, Ms.M.Hassan, Mrs.A.Hayes, Ms.A.Hutchinson, Mr.S.Jones, Mr.S.Kidwai, Mr. S. Mathur, Dr.G.N.J.Port, Mr.J.F.Thomas, Dr.M.Waring, Mr.P.R.Williams

**Attendance:** Mrs.P.M.Ackroyd (PVC Operations), Professor D.Brooksbank (PVC Enterprise), Dr.C.Connor (Director of Learning & Teaching), Mrs.J.Hare (Deputy Vice-Chancellor), Professor S.Hanton (PVC Research), Mr.R.Moremon (Director of Marketing & Communications), Mr.D.C.Price (Director of Strategy Development), Mr.P.Riley (Head of Library and Information Services), Mr.R.D.G.Walters (Clerk to the Governors), Mr.M.J.Warren (Director of Finance)

Before the commencement of formal business the Chair welcomed Mr. Phil Davies (independent governor), Mr. Saleem Kidwai (independent governor), Ms. Ruth Foster (Student Union President), Ms. Anna Hutchinson (Student Union Vice-President) and Professor M. Loutfi (PVC International) to their first formal meeting and gave notice of the resignation of Baroness Randerson, independent governor, upon her appointment as a Junior Minister in the Wales Office.

#### **1358. Apologies for Absence**

Apologies for absence were received from Baroness Finlay of Llandaff, Rev. Canon R. Morrison, Dr. R Smith and Mr. E. C. Thomas.

#### **1359 Declarations of Interest**

There were no declarations of interest.

#### **1360. Presentation on the Student System Project**

The meeting received a presentation on the Student System project from the Director of Finance and the Head of Library and Information Services. The presentation covered the definition, current status, aims and benefits of the project and its integration in the student journey from initial enquiry to graduation and membership of the alumni.

Members were reminded of the increase in project budget and duration approved in 2011 and advised of the project's more recent streamlining following a full review and re-assessment of needs and the removal of peripheral elements.

It was reported that the benefits of the new system included an improved enrolment process for collaborative provision, online decision making for admissions processes, revised Graduation processes, the introduction of CRM for the International Office and the availability of remote online marks entry.

**Resolved** that the presentation be received and progress in the implementation of the new Student System be noted.

### **1361. Minutes of the Board of Governors**

#### **.1 Meeting of the Board of Governors: 9 July 2012**

The minutes of the meeting of 9 July 2012 were confirmed, subject to one amendment, and signed. There were no matters arising from the minutes.

#### **.2 Special Meeting of the Board of Governors: 28 September**

The minutes of the special meeting of 28 September 2012 were confirmed and signed. There were no matters arising from the minutes.

### **1362. Standing Items:**

#### **.1 Report of the Chair of the Board of Governors**

The Chair's written and oral report provided details of meetings and events attended since the last meeting and to be attended during the second half of the Autumn Term 2012.

In accordance with Standing Orders, formal notification was given of Chair's Action taken to set up a structure reporting to the Strategic Planning Committee to oversee the University's response to the Minister's consultation exercise on reconfiguration in South East Wales (see min. 1363 below). The structure comprised a Sub-Committee and a supporting Operations Group with respective Terms of Reference. It was reported that in addition to continuing support from legal advisers, Deloitte had been retained to assist with detailed work on the Strategic Outline Case and its development.

The unconfirmed minutes of the Strategic Planning Committee meeting of 25 September were tabled and the following summary of significant business provided.

HE sector reconfiguration in South East Wales continued to be a major item of business.

The Committee had received a report on progress towards the issue of CAS for LSC students in London in accordance with UKBA guidelines. Although concerns remained about the drafting of the agreement between the two institutions, the agreement as approved by the UKBA on the basis of a partnership model had been signed on 24 July 2012. This development, however, had been supported by oral agreements with both UKBA and LSC that, advised by the University's legal advisers, work was to be carried out on a revised version during the Autumn Term with a view to the presentation of an agreed revised version to UKBA at the earliest practical opportunity, such version not to change fundamental issues of interest to UKBA.

It was reported that work was underway to agree the financial, technical and operational aspects of the CAS partnership agreement and to put in place appropriate mechanisms to ensure compliance with UKBA requirements.

The annual Governors' Away-Day on 27 & 28 September had endorsed proposals for the establishment of a Strategic Planning & Performance Committee within the context of enhanced mechanisms for performance improvement and monitoring. It was agreed that Terms of Reference were to be developed for consideration at the Strategic Planning Committee's next meeting and approval by the Board of Governors in December.

An oral report was given on the HEFCW Institutional Visit that had taken place earlier on 9 October 2012. Discussions had focussed on internationalisation, branding, the 2012 NSS and the student experience. Although original arrangements for the meeting had included consideration of the University's response to the Welsh Government's reconfiguration agenda, a more recent letter from the Funding Council's Chief Executive to the Vice-Chancellor had stated that HEFCW participants would not be able to say anything on the subject of reconfiguration or respond to any points made that related to consultation; HEFCW participants would simply note any such points. The letter stated that the Funding Council would "not wish to do anything that could be argued to prejudice in any way the outcomes of the consultation."

**Resolved** that

- .1 the report be received, and
  - .2 Chair's Action be noted.
- .2 Report of the Vice-Chancellor

The Vice-Chancellor's periodic report gave details of progress made since the meeting of the Board in July 2012 and presented the unconfirmed minutes of the Academic Board meeting of 14 September 2012. Given the nature of the academic cycle, the report reflected some of the achievements of the last academic year and served as a signpost for developments and initiatives expected in the coming months. Activities were reported in the context of the Strategic Plan 2012-2017.

Particular attention was drawn to the results of the 2012 NSS Survey (min. 1365 below refers), developments in EU Commission funding and international educational partnerships and a further, recent success in National Teaching Fellowships bringing the number of National Teaching Fellows at the University to ten.

**Resolved** that the report and the Academic Board minutes be received.

.3 Report of the Students' Union President

The 2012/13 Student President's first report provided an account of the September 2012 Week One Welcome and the positive reactions thereto, details of the recruitment and training of School and Course Representatives for 2012/13, of enhancements to the student experience provided under the UMAX brand and of the pending launch of the student-led Teaching Fellowships scheme for 2012/13.

In addition, the report provided details of satisfaction levels with the Students' Union as recorded in the 2012 NSS, analyses of areas for improvement and actions planned to improve performance overall.

**Resolved** that the report be received

**1363. Reconfiguration: Future Structure of Universities in Wales**

The meeting considered and discussed developments in the preparation of the University's response to statutory consultation on dissolution and received an oral report on the work of the Strategic Planning Committee's Sub-Committee. A written report presented a chronological summary of developments and activity in the reconfiguration agenda since the meeting of the Board of Governors on 9 July 2012.

The more significant developments recorded in the report were:

on 13 July 2012, the announcement by the University of Glamorgan and the University of Wales, Newport that the two governing bodies wished to merge the two institutions;

on 16 July the issue by the Welsh Government of a report dated 11 July 2012 on South-East Wales HE Provision written by Professor Sir Steve Smith, Vice-Chancellor of the University of Exeter;

on 17 July the Statement by the Minister for Education and Skills announcing his intention to commence as soon as possible statutory consultation exercises on the dissolution of the Newport and Cardiff Met HE Corporations;

on 6 August by letter to the Chair, the Minister's commencement of statutory consultation on dissolution in accordance with the Education Reform Act 1988, s.128 - the letter announced consultation on two proposals, viz.

Option A: Merger of the University of Wales, Newport, Cardiff Metropolitan University and the University of Glamorgan - the Minister's preferred option;

Option B: Merger of the University of Wales, Newport and the University of Glamorgan - working in a strategic alliance with Cardiff Met;

also on 6 August the issue of an undated Strategic Outline Case (SOC) and the report by Professor Sir Steve Smith;

a luncheon held on 19 September for past Presidents at which it was agreed that letters in support of the University would be written, individually to party leaders and collectively to the First Minister;

28 September, attendance by Professor John Hughes, Bangor University's Vice-Chancellor and the Chair of Higher Education Wales (HEW), and Amanda Wilkinson, the HEW Director, at the annual Governors' Away-Day with a view to governors gaining an understanding of the HEW position on institutional autonomy, reconfiguration in South East Wales and the HEW input to Professor Sir Steve Smith's report - details of the discussion were set out in the written report;

during September, letters written to the Welsh Government's Higher Education Division by the University's legal advisers requesting information regarding the consultation exercise and the Strategic Outline case.

2 October, receipt of a letter from the Minister's office which read:

"Thank you for your letters of 12 and 26 September requesting further information on the Minister's proposals as set out in the consultation letter addressed to the Chair of Cardiff Metropolitan University and dated 6 August 2012. We will provide to all consultees, as soon as possible, the information you have requested in both letters and a further 12-week period for responses to the consultation will begin from the date on which the information is provided."

In addition to the foregoing the report included details of communications with Staff by way *inter alia* of staff announcements, sets of Questions & Answers, a series of Staff Meetings and arrangements for a survey of all permanent staff conducted by Ipsos Mori. Details were provided also of arrangements for Professor Sir Steve Smith to attend an informal meeting of Governors on 2 November, taking up the wish expressed in his report to the Minister to meet the Board of Governors to "discuss future funding scenarios, not because I think I can change their minds, but because I do want to have the chance to put to them the arguments about the future strategic direction of their institution.

**Resolved** that the contents of the report and the development of the University's position in response to the Minister's consultation exercise be noted.

#### **1364. Student Recruitment 2012/13: Home and EU**

A written report gave a preliminary but positive indication of the University's Student Intake for 2012 entry (Home/EU) prior to the provision of more complete and robust data during November 2012 when registration had been completed and data verified.

It was reported that as at 1 October 2012 the University had 2472 students from Home/EU markets accepted for full time undergraduate courses; this performance, which was anticipated to improve marginally until the completion of the recruitment cycle, marked an achievement of 97% against intake target. The appendix to the report presented the complete breakdown by academic school/ programme as at 1 October 2012.

Assurance was given that measures were in place to address the fall in applications from England, particularly from the South West, and that adjustments would be made to meet the movement of student numbers between Schools.

It was noted that additional resource had been allocated to recruitment activity for 2013/14 entry.

The meeting thanked and congratulated all staff involved in the Marketing and Recruitment Unit for a commendable outturn to the year's recruitment campaign.

**Resolved** that the report be noted

#### **1365. Report on the National Student Satisfaction Survey 2012**

The Dean of Learning & Teaching presented a written report which examined the results of the NSS 2012 and provided in Appendix 1 comparator results and a summary of responses by question showing results since 2009 and the change from 2011 to 2012. Appendix 2 presented the NSS 2012 results for overall satisfaction by individual programmes.

The report examined the University's results overall and by programme and School and provided explanations and actions. The meeting noted with concern decreases in the response rate by 3% to 66% and in overall satisfaction by 7% to 75% against a Wales figure of 84% and a sector figure of 85%. Internal and external factors which had contributed to deteriorating performance were identified and discussed. Assurance was given that the results were being analysed and that comprehensive and robust action plans to improve performance under future such surveys were being drawn up and prioritised. Improvement actions included work with staff and students on the importance and implications of the NSS, and enhancements in staff training and development.

It was agreed that a report on progress under action plans would be presented later in the business year.

**Resolved** that:

- .1 the report and action plans to improve performance be noted;
- .2 a further report be presented later in the business year.

#### **1366. Internal Audit Annual Report: Year Ended 31 July 2012**

Further to the draft report presented to the last meeting, the Board of Governors received with approval the final version of the Internal Auditors' Annual Report for 2011/12. It was noted that the presentation of this positive report marked continuing compliance with the University's controls and procedures.

There having been no adverse events between the issue of the draft report and the end of the financial year, the final report (as signalled in the draft report) presented the following Internal Audit Assurance Statement for 2011/12:

"We are satisfied that sufficient internal audit work has been undertaken to allow us to draw a reasonable conclusion on the adequacy and effectiveness of Cardiff Metropolitan University's arrangements. For the 12 months ended 31 July 2012, based on the work we have undertaken to date, our opinion regarding the adequacy and effectiveness of Cardiff Metropolitan University's arrangements for governance, risk management and control is as follows:

Governance: green, adequate and effective  
Risk Management: green, adequate and effective  
Control: green, adequate and effective.”

**Resolved** that the positive Internal Audit Annual Report for 2011/12 be received.

**1367. Governance:**

The Clerk to the Governors presented the periodic Governance Report and the annual report on compliance with governance requirements.

.1 Governance Report

.1 Board and Committee Membership

The meeting was informed of the resignation of Baroness Randerson on her appointment in September 2012 as a Parliamentary Under-Secretary in the Wales Office. It was reported that this resignation gave rise to an immediate vacancy for an independent governor, bringing the total number of vacancies to four, being vacancies for two independent governors and two co-opted governors, and agreed that the next meeting of the Nominations & Governance Committee would be asked to begin an immediate search for new governors.

It was agreed that delegated authority would be given to the Chair in consultation with the Vice-Chancellor to make appointments before the next meeting to fill the vacancy on the Finance & Estates Committee occasioned by Baroness Randerson's resignation and the current vacancy for an external co-opted member of the Audit Committee.

.2 Governor Training 2011/12

Confirmation was given that the first stage of induction training for governors appointed from 1 August 2012 had been completed and that arrangements were being made for the second stage.

It was reported that 'buddying' arrangements for recently-appointed governors had been finalised.

A briefing session on equality and diversity issues had been held on 18 September and a summary of that session presented to the recent away-day.

3. HEFCW Institutional Visit 9 October

The report provided details of the periodic HEFCW Institutional Visit on 9 October 2012.

4. Informal Meeting with Professor Sir Steve Smith

It was confirmed that arrangements had been made for Professor Sir Steve Smith to attend an informal meeting of governors on Friday, 2 November 2012. All governors were invited and encouraged to attend.

5. Stakeholder Forum

Details were provided of the Stakeholder Forum (SF) meeting rescheduled for 6 November 2012.

The report included the initial findings of the working group set up to review the SF's purpose, composition and meeting arrangements with a view to producing a simpler model with revised appointment procedures. The group's initial findings were summarised as:

Purpose: critical friend and champion providing support and advice;

Membership: to be by invitation drawn from a wide circle of constituencies and a wide geographical area but there to be no politicians or civil servants;

Membership: to be appropriate to provide external comment on strategic aims and the development of corporate strategy;

Board membership: to be restricted to selected governors to provide balance;

Meetings: to be co-chaired by the Board Chair and a designated member of the SF;

consideration to be given to holding meetings later in the day than 1500, finishing with dinner;

Membership Selection Panel: to be replaced by an appointments committee comprised of the Board Chair, the Vice-Chancellor and one existing external member of the SF.

It was agreed that detailed proposals for change would be put to the Board of Governors in December following a consultation exercise to be undertaken after this meeting, that exercise to include discussions at the next SF meeting.

6. Cardiff Institute Residences Company Limited

During 2011/12 the Board of Governors approved the dissolution of the subsidiary company Cardiff Institute Residences Company Limited (CIRCL). It was reported that to effect the dissolution it was necessary to transfer all assets and liabilities from CIRCL to the University. To effect the required transactions, solicitors working for National Westminster Bank Plc had provided the following minute, initially in draft, for the Board's approval. Copies of the documents referred to in the draft minute were available at the meeting.

1. Background

It was reported that the University was the parent of a certain subsidiary company called Cardiff Institute Residences Company Limited (CIRC) which had previously entered, as Borrower, into a term loan facility agreement dated

24 July 2002 in the sum of £1,800,000 (the Facility) together with the University, as parent, and National Westminster Bank Plc as Lender, (the Bank) (the Facility Agreement).

It was reported further that the University had previously provided security in the form of a guarantee in favour of the Bank in respect of the obligations of CIRC under the Facility Agreement and that the directors of CIRC had agreed that CIRC should be dissolved. It was explained that, in order to complete the dissolution it would be necessary to transfer all assets and liabilities out of CIRC and that the University had agreed to accept the transfer of all assets and liabilities from CIRC in order to assist CIRC in its dissolution as set out in minutes of the Board of Governors of the University dated 3 April 2012. It was noted that CIRC had agreed with the Bank to transfer the Facility by way of novation into the name of the University (the Novation). It was explained that following the Novation the University would be liable for the ongoing performance of all obligations and liabilities of CIRC under the Facility Agreement.

It was noted that transactions referred to above completed on 1 August 2013.

## 2. Documents

There were produced to the meeting final executed versions all dated 1 August 2012 of the following documents (together the "Documents"):

- a) a novation agreement (the Novation Agreement) entered into by the University, the Bank and CIRC, pursuant to which the University shall assume the obligations of CIRC to the Bank under the Facility Agreement;
- b) a transfer in the form of Land Registry form TR1 for the transfer of property known as Plas Gwyn which transferred the property known as Plas Gwyn from CIRC to the University;
- c) legal charge over the property known as Plas Gwyn granted by the University in favour of the Bank (Legal Charge);
- d) a transfer in the form of Land Registry form TR1 for the surrender of the lease at Cyncoed Buildings from CIRC to the University. It was noted that the under-lease from CIRC to the University was surrendered by operation of law; and
- e) a letter of waiver given by the Bank in favour of the University (Waiver Letter).

## 3. Charities Act

The Clerk gave assurance that the requirements of the Charities Act 2011 had been addressed.

## 4. Purpose of Meeting

It was reported that the purpose of the meeting was to consider, with regard to the contents of the Reports, and if thought fit, notify, confirm, approve and ratify the entry of the University into the Documents and into a new Legal

Charge (the "New Charge") over the property known as Plas Gwyn (title number WA802783) with particular reference to the following:

the purpose of the Novation was to enable the finance made available under the Facility Agreement to continue until the end of the term of the Facility and allow the subsequent proposed dissolution of CIRC to proceed;

as security for the Facility, the University was required, amongst other things, to execute the Legal Charge and the New Charge;

it was a condition of the Novation Agreement and Waiver Letter that the University enter into the Documents;

the Documents have resulted in the transfer from CIRC of all assets and liabilities of CIRC to the University.

## 5. Interests

Governors were invited to declare to the meeting any direct or indirect interest in the transactions contemplated by the Documents and the New Charge. No such declarations were made.

## Resolutions

After discussion and following due and careful consideration of the Reports, the terms and conditions of the Documents and New Charge, with regard to the strong financial and commercial interdependence between CIRC and the University, it was agreed that the transactions were in the best interests of the University and would be likely to promote the success of the University for the benefit of its members as a whole taking into account all matters considered relevant and accordingly, it was **RESOLVED** that:

- (a) the University notify, confirm, approve and ratify the execution of the Documents by certain governors of the University;
- (b) the terms of the New Charge and the performance by the University of its obligations thereunder be and are hereby approved:
- (c) the New Charge be executed and delivered as a deed on behalf of the University in any manner permitted by law, in each case in the form produced to the meeting or with such variations or amendments (if any) as any one governor may in that governor's discretion approve;
- (d) in addition to the governors execution of the New Charge, any two trustees of the University be authorised to sign the New Charge on behalf of all the trustees in respect of the authority conferred pursuant to s333 of the Charities Act 2011;
- (e) where any such variations or amendments as referred to above are made, the approval of the governor concerned shall in each case be conclusively evidenced by that governor signing or otherwise executing the New Charge;
- (f) any one governor/trustee (or, in the case of any document to be executed as a deed, any two governors/trustees and such other

persons as may be required by law) be and is/are hereby authorised to sign or execute on behalf of the University any other documents required or permitted to be delivered by the University under or pursuant to the Facility Agreement or any other Document and/or New Charge and to take any other action on behalf of the University in connection with any of the transactions contemplated by the Documents and/or the New Charge

7. HEFCW Circulars

Details were provided of HEFCW Circulars issued since the last meeting.

**Resolved** that:

- .1 the report be received;
- .2 delegated authority be given to the Chair in consultation with the Vice-Chancellor to make appointments before the next meeting to the Audit and Finance & Estates Committees.
- .2 the CIRCL minute at .6 above be confirmed.

.2 Clerk's Annual Report (including Remuneration Committee's Annual Report)

The meeting received the Clerk's ninth Annual Report, for the year 2011/12. The report summarised the composition, structure and operation of the Governing Body and its compliance with the Instrument and Articles of Government during the last business session. The report included an open, summary report of the work of the Remuneration Committee during 201/12.

Supported by reviews of governance undertaken by the Funding Council and the Internal Auditors, assurance was given that Cardiff Metropolitan University remained in compliance with the CUC Governance Code of Practice.

**Resolved** that the Annual Report be received.

1368. Any Other Business

.1 Restricted Business

**Resolved** that the following items retain restricted status:

Reconfiguration: The Future Structure of Universities in Wales

Report on the National Student Survey 2012

Internal Audit Report for the Year Ended 31 July 2012

Corporate Strategic Plan

- .1 Annual Progress Review 2011-12
- .2 Action Plan

**1369. For Information**

The following documents were presented for information:

Strategic Planning Committee Minutes: 25 September 2012

Corporate Strategic Plan

- .1 Annual Progress Review 2011-12
- .2 Action Plan

**1370. Restricted Business**

The meeting was followed by a meeting of independent and non-staff/student co-opted governors which received a report on the business of the Remuneration Committee meeting of 25 September 2012 including the setting of senior post-holders' salaries for 2012/13.